VZCZCXRO4155 PP RUEHMA RUEHPA DE RUEHUJA #1238 1641547 ZNR UUUUU ZZH P 131547Z JUN 07 FM AMEMBASSY ABUJA TO RUEHC/SECSTATE WASHDC PRIORITY 9869 INFO RUEHZK/ECOWAS COLLECTIVE RUEHWR/AMEMBASSY WARSAW 0368 RUEHCD/AMCONSUL CIUDAD JUAREZ 0369 RUEHOS/AMCONSUL LAGOS 7129 RUEAIIA/CIA WASHINGTON DC RHEBAAA/DEPT OF ENERGY WASHINGTON DC RHEHNSC/NSC WASHINGTON DC RUEKDIA/DIA WASHDC RHMFISS/HO USEUCOM VAIHINGEN GE RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK

UNCLAS ABUJA 001238

SIPDIS

SENSITIVE SIPDIS

DOE FOR CAROLYN GAY

E.O. 12958: N/A TAGS: <u>PGOV KDEM NI</u>

SUBJECT: PAY HIKE FOR YAR'ADUA, TOP GOVERNMENT OFFICIALS

- 11. The Revenue Mobilization Allocation and Fiscal Commission (RMAFC), which monitors withdrawals from the Federation Account, recommends revenue sharing agreements across the three tiers of government, and recommends salaries and other allowances for public officials announced a new Consolidated Top Federal Public Office Holders Salary Structure at a June 11 press conference. The proposal, which awaits approval by the National Assembly when it reconvenes June 26, recommends a 150% increase in base salary and enhanced allowances for the President, Vice President, Ministers, Chief Justice, State Governors, and other top positions across federal, state, and local government. Base annual salary highlights of the new package include: President, 3.5 million Naira (27,000 USD); Vice President, 3 million Naira (23,000 USD); Chief Justice, 3.3 million (26,000 USD); Ministers, 2 million Naira (15,000 USD); Senate President and House Speaker, 2.5 million Naira (20,000 USD); State Governors, 2.2 million Naira (17,000 USD); and Local Government Chairman, 1 million Naira (7,500 USD).
- 12. The Nigerian Constitution mandates that the RMAFC review and amend every five years the Consolidated Top Federal Public Office Holders Salary Structure to reflect the impact of inflation rates, external reserves, Gross Domestic Product growth, and other economic indices. The pay package given to public servants across the executive, legislative, and judicial branches of the three tiers of government includes base annual salaries and allowances for medical care, security details, domestic and international travel, accommodation, and severance gratuity. The RMAFC did not divulge the total amount of allowances, which far exceeds the yearly salaries these public officials enjoy.
- 13. (SBU) COMMENT: Contacts and open source reporting indicate that President Yar'Adua may trim his Cabinet to save costs. During the Obasanjo administration, the Nigerian Government reportedly spent 40 million USD annually to maintain over 90 Permanent Secretary and Special Adviser positions. The National Assembly will likely approve the RMAFC salary structure recommendations as it remains in their self interest to do so. In comparison, the Mission locally-engaged staff pay scale for basic pay ranges from 631,000 Naira for an FSN One Step One to 5.24 million Naira for an FSN Ten Step Fifteen. With allowances, total compensation for a One-Step One is 1.3 million Naira (8,300 USD) and for a Ten-Step Fifteen is 8.3 million Naira (65,000

USD). END COMMENT. CAMPBELL